

Freight Links



**Singapore
Logistics**
11 June 2007

Circumventing Complexity

◆ Full-spectrum logistics player

Freight Links (FL) is a leading total logistics management and integrated logistics service provider in Singapore. Its comprehensive range of logistics-related services includes international freight forwarding, chemical storage and logistics, warehousing and distribution, integrated marketing, international relocation, and record management. The Group has a global reach of 600 destinations, supported by its overseas offices and more than 120 freight forwarding agents. In addition, the Group manages 1.3m sqf of warehouse space catering to an array of logistical needs.

◆ The logistics sector is poised for re-rating

According to the Economic Review Committee's findings, logistics is a sizeable global market, valued at around US\$320b pa and an annual growth rate of 3-10%. To help promote the industry with the view of making Singapore a global integrated logistics hub, the Government has rolled out a number of incentives in the recent budget announcements, such as the setting up of the 140 ha Seletar Aerospace Park. We believe logistics assets are due for reflation and FL is a clear beneficiary.

◆ Feeding the REITs with quality assets

The regional push to attain logistics capabilities has helped to fuel the recent hunger for industrial Real Estate Investment Trusts (REITs). Singapore-listed industrial REITs have been busy acquiring industrial/warehouse properties, both locally and regionally. Based on URA 1st Quarter statistics, the vacancy rate of warehouse space fell to 11.2% in 1Q07 from 14.2% just a year ago. Average warehouse rental increased 4% Q/Q and 8.7% Y/Y. With some 1.3m GFA of warehouse space, FL is an enticing target of 'asset-starved' REITs. Over the next 12 months, FL plans to accelerate its balance sheet re-engineering process by divesting several warehouses to the REITs and redeploy the capital into the higher yielding pure logistics services business.

◆ China investments coming to fruition

Over the last 2 years, FL has invested some \$40m spread over 4 investments in China. As they are in the form of convertible bonds, contributions to FL bottomline has been negligible until these bonds are converted to equities prior to their listings in PRC. China GSD Logistics is expected to be the 1st in the pipeline to go IPO in Shenzhen. Based on our estimates, the group could convert its convertible bonds into a 25% stake prior to IPO, which is worth some \$56m (3.1cts/share). Hence, the group earnings mix could change drastically with PRC accounting for a bigger share in the near future.

◆ Circumventing complexity to expose deep value

Logistics stocks are often burdened with mounting complexity, which has turned away investors who seek earnings clarity. FL's ongoing efforts to optimise its balance sheet and de-link its logistics earnings from rental income warrant a re-rating. We initiate coverage with a BUY call and TP of \$0.21, based on our conservative SOTP valuation, which assumes zero growth in the capital values of its warehouses.

Year End Apr 30	2005	2006	2007F	2008F	2009F
Sales (\$ m)	84.3	106.1	128.0	154.9	187.9
Pre-tax (\$ m)	9.2	13.0	15.8	18.2	21.0
Net profit (\$m)	9.5	10.6	12.8	14.8	17.0
EPS (cts)	0.5	0.6	0.7	0.8	0.9
EPS growth (%)	103.7	11.1	21.3	15.3	15.0
PER (x)	27.4	24.6	20.3	17.6	15.3
EV/EBITDA (x)	61.3	23.0	25.3	21.0	17.7
Yield (%)	0.7	1.4	1.4	1.4	1.4

BUY

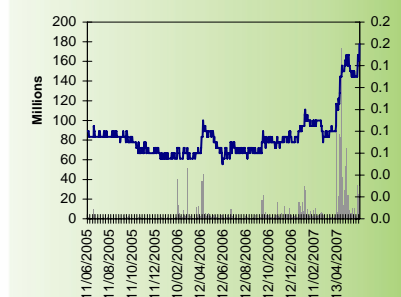
Initiate Coverage

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Price **S\$0.145**
Target **S\$0.21**
ST Index **3,491.6**

Historical Chart



Performance	1M	3M	6M
Absolute (%)	6.7	113.3	128.6
Relative (%)	4.2	90.1	87.1

Stock Information

Ticker code	FLEH.SI
	FLE SP
Market Cap (US\$m)	171.1
52-week high (\$)	0.17
52-week low (\$)	0.06
Shares issued (m)	1794
6m avg. daily vol (US\$m)	0.71
Free float (%)	40.2
Major Shareholders (%)	
	Vibrant Capital 54.7%
	Prudential Asset 5.1%

Key Indicators

ROE (%)	13.3
Net gearing (%)	48.3
NTA (cts)	4.4
Interest cover (x)	5.3

Look Beyond the Kinks

We are initiating coverage on Freight Links Express Holdings with a BUY recommendation and a 12-month price target of \$0.21. Efforts by the new major shareholder who took over some 3 years ago to rejuvenate the group are starting to bear fruits. Going forward, investors can expect greater earnings clarity as the group circumvents complexity through balance sheet and earnings mix re-engineering. Key driving forces include:

- ◆ The group currently has a portfolio of warehouse properties totaling some 1.3 m sqf of GFA. With industrial REITs exhibiting strong demand for yield accretive acquisitions, the group is considering offloading some of its assets to the REITs to maintain an asset-light approach. This is because its main line of business, international freight forwarding, is essentially not physical property intensive, so the group would improve its returns by going asset-light.
- ◆ Proceeds from the sale of its properties can be redeployed into higher yielding investments in growth business segments, such as its freight forwarding and chemical logistics services. Margins on such services are also superior to rental income from warehouses.
- ◆ The group has made 4 investments in China, a rapidly growing economy that requires proportionate investments in logistics to support its trade growth. Besides providing exposure to the Chinese market, the group's Chinese investments may eventually be publicly-listed. China GSD is expected to be the first of the companies to be listed, most probably in Shenzhen. In addition, the investments are currently on a convertible basis. As they progressively get converted to equity, the contributions would flow to the group's bottom-line. With logistics stocks in China trading at earnings multiple in excess of 30x, FL stands a good chance of massive re-ratings as contributions from China to overall group bottomline expand over the next few years.

Company Background

The Group was founded in January 1981 as Freight Links Pte Ltd, a specialist freight forwarder. Since then, the Group has grown to provide a comprehensive range of freight and logistics-related products and services. Its international freight forwarding business now has a reach of over 600 destinations worldwide. Its global presence has been achieved with its establishment of offices in Malaysia, Thailand, Hong Kong, Australia, China and Dubai, UAE, as well as more than 120 overseas freight forwarding agents.

As a total logistics solutions provider, the Group main services are as follows:

- a) International Freight Forwarding;
- b) Chemical Logistics;
- c) Warehousing Property Management;
- d) Total Logistics Solutions;
- e) Record Management Solutions;
- f) Housing Relocation Services; and
- g) Marketing, Events and Exhibitions Management.

International Freight Forwarding

The international freight forwarding segment of the Group is the largest, contributing to 57.3% of its FY2006's total revenue. The Group provides a wide range of freight forwarding services including: ocean and air freight services, consolidation and deconsolidation, transshipment, project handling, shipment documentation, customs clearance and transportation, as well as inland trucking to Peninsula Malaysia. Supported by its offices overseas and more than 120 overseas freight forwarding agents, the Group's network covers ASEAN, North Asia, North America, Europe and Australia, thus making it one of the biggest international freight forwarders in Singapore.

The Group also has a notable presence in China. In particular, its stake in China GSD Logistics, a third-party logistics (3PL) enterprise headquartered in Shenzhen, will be bearing fruit as it is working towards a public listing. Recently, the Group also announced a joint venture to provide bonded warehousing services and total logistics services in Jiangyin New Harbour City, an inland port along the Yangtze River.

Chemical Storage and Logistics

The Group's acquisition of a 51% stake in LTH Logistics in 2004 has provided it with chemical storage and logistics capabilities. LTH is a dedicated chemical logistics and distribution company that handles both hazardous and non-hazardous chemical and petrochemical substances. It also pioneered the transportation of liquid chemicals in road tankers and iso-tankers within Singapore, as well as Trans Singapore-West Malaysia shipments.

LTH boasts an impressive fleet of 121 prime movers, 474 trailers and 150 iso-tankers, thus providing an extensive haulage network in both Singapore and West Malaysia. The scope of related services provided include bulk liquid and dry box haulage, Dangerous Goods (DG) warehousing, chemical trans-shipment, liquid break-bulk service, road safety escort, distribution and transportation, chemical supply chain management, and plant projects management.

The Group has invested \$13.5m in the construction of a new DG Warehouse Complex at Penjuru Lane. When completed in July 2007, the state-of-the-art 130,000 sq ft warehouse will have a high-density storage capacity of 16,000 pallet positions. Furthermore, it will be fully compliant with the international standard's latest code of practice for the storage of dangerous goods. Prior to this, the Group already has a total of 220,000 sq ft of chemical warehousing infrastructure in both Singapore and Malaysia.

In China, the Group also has a stake in the Fudao Petrochemicals Group. Fudao has a petrochemical storage terminal with a capacity of 82,040 cubic metres. Moreover, it also operates an asphalt refinery and distributes oil products. Its stake in the company gives the Group exposure to the fast-growing demand for oil and gas infrastructure in China.

As of FY2006, this segment of business contributed to 23.3% of its total revenue, making it the second largest business segment. With Singapore being a major petrochemical hub, the Government has taken steps to ensure that homeland security is not compromised by placing strict controls on the movement of hazardous material cargoes within the densely-populated country. FL's expertise in this area would be highly sought after. Together with the growth in the oil and gas logistics sector in China, we think that these two economies will provide the twin engines for FL to see continued growth in this segment.

Figure 1: Artist's Impression of DG Warehouse at Penjuru Lane



Source: Company Website

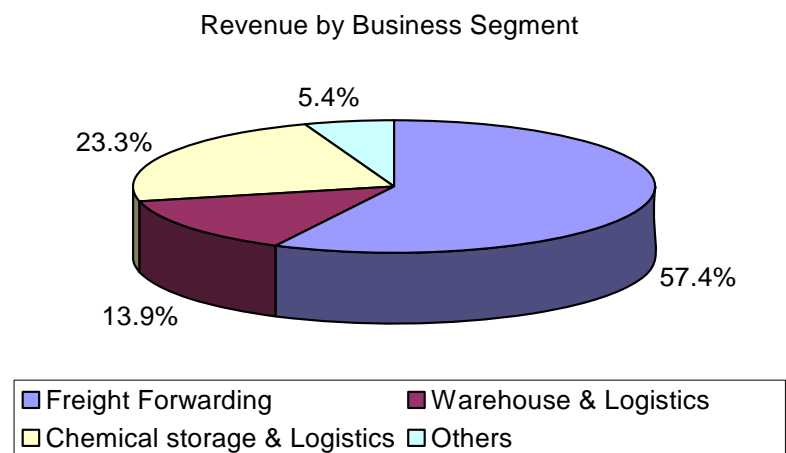
Warehousing and Logistics

Contributing to 13.9% of the Group's revenue in FY2006, this business segment includes the Group's property management, and warehousing and logistics arms. To date, the Group's property division has built over 2m sq ft of space, valued at approximately \$250m. This division has a proven track record, with the ability to cater to any project from factory construction to warehouse design and management, specialist projects and interior retrofitting. The other services include buy and lease back, site and location consulting, financing (including REIT, bond and equity market options), along with build-to-requirements and reconstruction options.

The warehousing and logistics division currently manages about 1.3m sq ft of warehouse space in Singapore and provides an array of logistics solutions. The services include: Web-enabled warehouse management systems; state-of-the-art Automated Storage and Retrieval Systems (ASRS) offering a total of 31,000 pallet positions in Singapore; transportation and distribution services; and a Zero Goods and Services Tax (GST) warehouse scheme. This means that customers can outsource all their warehousing and distribution requirements to the Group.

Other Services

The other services the Group provides include: i) record management services such as document storage and retrieval, and safe document destruction; ii) relocation services for households and offices; and iii) marketing, events and exhibitions management, which involves handling all aspects of exhibition participation from design-and-build solutions to signage, furniture and fittings.

Figure 2: Breakdown of FY2006 group revenue by business segment

Source: Company Data

Logistics Sector Growth a Regional Phenomenon

According to the World Trade Organisation's statistics, the pick-up of global economic activity led to a robust expansion in world trade in 2006. Real merchandise export growth was estimated at 8.2%, two percentage points higher than the ten-year average of 6.1%. While the trade body cautioned that the growth in 2007 may fall to about 6%, it would still be in line with the ten-year average. In Asia, it is imperative that the trade and economic growth of the emerging markets be accompanied by timely progress in logistics capabilities. As a result, various countries in the region are all vying to establish their presence as logistics hubs; Singapore is one of them.

Coming out of the Asian Financial Crisis, the Singapore Government set up an Economic Review Committee (ERC) to formulate strategies to upgrade, transform and revitalise the economy. Due to Singapore's strategic geographical location that provides global inter-connectivity, the logistics sector was earmarked as a potential growth sector. According to the ERC's findings, logistics is a sizeable growth market worldwide, valued at around US\$320b per year, with an annual rate of 3-10%. In 2006, the transport and storage industry contributed S\$20.1b, or 9.6% of the GDP. Total trade in 2006 also grew 13.2% Y/Y at constant prices, suggesting a sustained demand for logistics services.

To help promote the industry with the view of making Singapore a global integrated logistics hub, the Government has rolled out a number of incentives in the 2006 and 2007 budget announcements, which are aimed at enhancing Singapore's competitive edge in logistics. In addition, the Government is also transforming Seletar Airport and its surrounding area into a 140-ha aerospace park. Being a major player in Singapore, FL will be a beneficiary of the future expansion in the industry.

Figure 3: Recent Singapore Budget Initiatives for Logistics Sector

2006 Budget

Promote Maritime and Logistics Industries

- o Allow shipping companies to renew their Approved International Shipping incentive for a third period of ten years, thus lengthening the maximum period of incentive from 20 to 30 years.
- o Remove the need for traders under the Global Trader Programme to show that their derivative trades are incidental to the physical trades before such income can be treated as qualifying income.
- o Give automatic GST suspension for goods removed from Zero GST (ZG) warehouses by all persons registered under the Major Exporter Scheme (MES) and the Approved Third Party Logistics (3PL) Company Scheme.

2007 Budget

Promoting Logistics, Maritime and Aviation Services

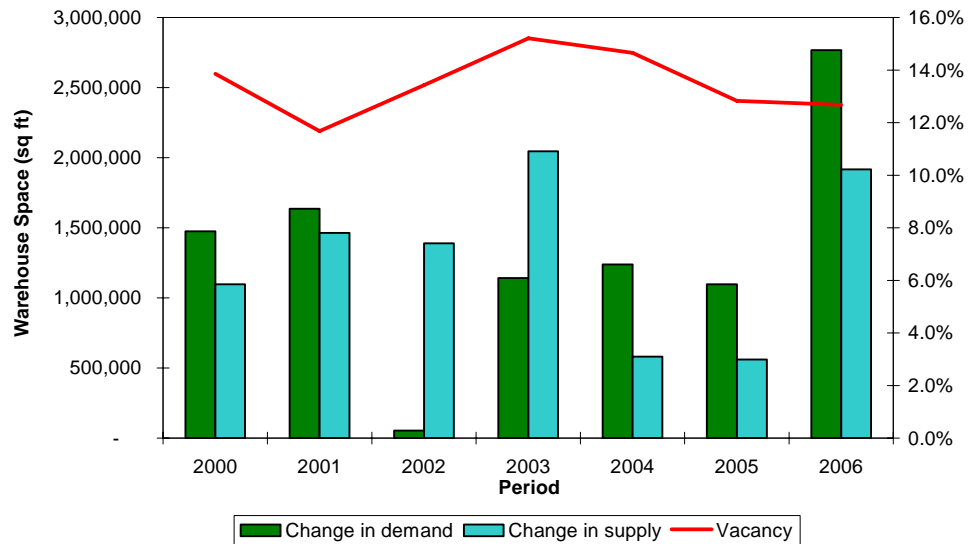
- o Extend the incentive period for the Approved Shipping Logistics Enterprise (ASL) scheme from five to ten years with effect from 15 February 2007.
- o Zero-rate GST for expenses incurred to service, buy, or lease containers in the international transport of goods with effect from 1 April 2007.

Source: Ministry of Finance, Singapore

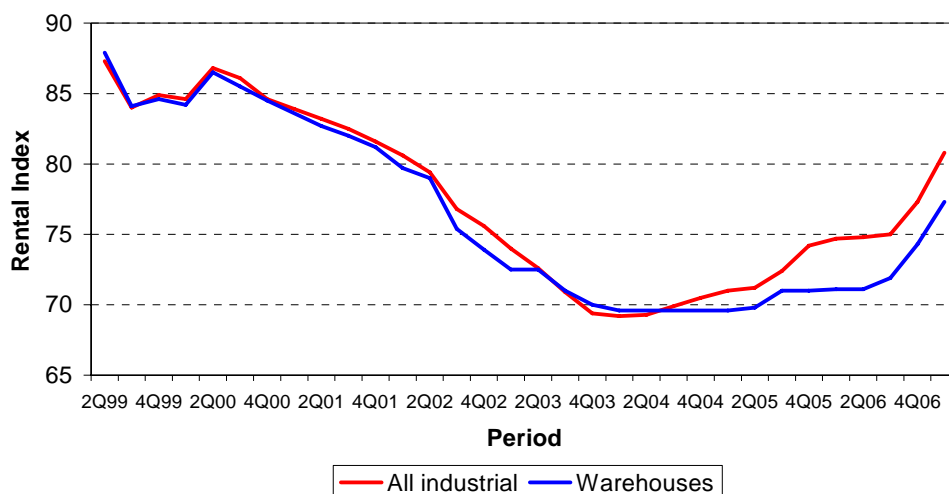
Growing Demand for Warehousing Space

As a result of the recent global economic growth and increased trade, the demand for warehousing space has increased. In Singapore, the vacancy rate for warehouse space fell to 11.2% in 1Q07 from 14.2% just a year ago, based on the URA's first quarter statistics. Average warehouse rental also increased 4% Q/Q and 8.7% Y/Y.

Figure 4: Warehouse space demand, supply and vacancy rate



Source: URA

Figure 5: Warehouse Space Rental Index

Source: URA

Singapore-listed industrial REITs have also shown a strong hunger for yield accretive acquisitions of industrial and warehouse properties. For example, Macarthurcook Industrial REIT acquired 12 properties, totaling 2.1m sq ft of NLA for \$316.2m, prior to its recent listing in April 2007. Mapletree Logistics Trust, Asia's first logistics REIT, currently has a portfolio of about 65 properties, including announced acquisitions, 36 of which are logistics properties located in Singapore.

Potential Pipeline for Industrial REITs

While the REITs' appetite for acquisitions have grown, with the exception of A-REIT, the remaining 3 REITs have not undertaken any property development themselves. Rather, they have opted to acquire built-up properties from current owners. This way, the REITs do not have to bear any development risks, as the sponsors would typically have greater expertise in property development. In addition, the completed properties would also have existing tenants, implying that yields would have been stabilised. Companies like FL then, with a portfolio of tenanted built-up properties, would then provide a value-added service to the REITs.

With a portfolio of warehouses with a total GFA of close to 1.3m sq ft, there is tremendous potential for the Group to unlock shareholders' value by selling its warehouses to the REITs to remain asset-light and redeploy its capital into opportunities with higher returns. The most immediate prospects for sale to REITs would be the two investment properties at 218 Pandan Loop and 30/32 Tuas Ave 8, with a combined market value of \$30m.

In the long run, the Group has the option to dispose of the remainder of its portfolio of warehouse space held by its wholly-owned subsidiaries to the REITs, which total \$71.6m at the latest valuation.

Figure 6: Freight Links vs CWT

	Freight Links (Year end 30 Apr)			CWT (Year end 31 Dec)		
	FY06	FY05	FY04	FY06	FY05	FY04
Revenue (\$m)	106.87	84.32	65.81	326.74	248.18	239.69
PBT (\$m)	13.30	9.23	5.43	36.51	11.69	3.44
PAT (\$m)	10.90	10.86	4.90	28.36	9.88	3.46
PATMI (\$m)	10.73	9.50	4.66	24.27	9.13	2.09
Net gearing	48.0%	26.0%	220.0%	26.2%	310.0%	11.3%
Net profit margin	10.0%	11.0%	7.1%	7.4%	3.7%	0.9%
ROE	13.60%	14.80%	18.30%	17.60%	8.80%	2.40%

Source: Company Data

Figure 7: Peer Comparison

	Share Price (\$)	Shares outstanding (m)	Market cap (\$m)	FY06 (x)	PE Current (x)	FY07E (x)	EPS growth (%)		P/B (x)	Dividend Yield (%)
Freight Links Express	0.15	1,794.1	269.1	20.8*	25.0	18.1**	18.3*	15.1**	3.4	1.4
CWT Ltd	0.91	519.3	472.6	19.5	16.3	na	156.9	4.3 [†]	3.2	2.2
Goodpack Ltd	2.15	456.0	980.4	30.4	22.9	16.1	33	43	10.1	2.5
Sembawang Kimtrans Ltd	0.70	407.4	285.2	6.2	13.5	10.8	(54)	25	2.8	na
Cougar Logistics Corporation	0.62	109.6	67.9	na	6.5	18.2	na	na	2.0	na
GKE International Ltd	0.53	187.0	99.1	na	na	na	na	na	4.5	na

* Based on estimated FY07 earnings (Freight Links' year end is April)

** Based on estimated FY08 earnings

[†] Based on enlarged share capital of 574.3m shares

Source: Bloomberg, Kim Eng Estimates

Riding on the Dragon

The rapid economic and industrial growth of China will be a key driver of growth in the logistics sector. Based on a study published in 2006 by Capgemini and the Georgia Institute of Technology, in collaboration with DHL and SAP, China is the key country for growth in internal sourcing and trade, and 3PL providers are a major factor that drives this growth.

Recognising the vast potential for growth, FL has made a number of strategic investments in China since 2004, such as China GSD Logistics and Baisui Logistics, both ranked amongst the top 100 logistics company in China. The other investments include a stake in Fudao Petrochemicals Group and the bonded warehouse joint venture in Jiangyin New Harbour City.

To Reap Rewards from listing China GSD

The Group has invested US\$6m in China GSD to date, which comprise redeemable cumulative convertible preference shares. China GSD is working towards a public listing in China, most probably in the Shenzhen bourse. China GSD, also headquartered in Shenzhen, defines itself as a 3PL enterprise equipped with an advanced concept, the technology of supply-chain management and an IT system of logistics. Its network covers South, East, North and Northeast China, with over 70 offices across the country and a number of long-term strategic partners.

With the Shenzhen bourse trading at PE ratios in excess of 60 times, we estimate that a resultant 25% stake in the listed China GSD trading at a PER of 30 times FY08 earnings could give the Group a gain of approximately S\$46m.

Valuation and Recommendation

Based on our SOTP valuation, we estimate the fair value of FL to be \$0.212. Representing a potential upside of 44.8%, we are initiating coverage on FL with a BUY recommendation, at the target price of \$0.210.

Figure 8: Sum-of-the-parts Valuation

Properties	Held By	GFA (sq ft)	Estimated Market Value (\$m)	Implied capital value (\$ psf)
218 Pandan Loop	FL Express Air	50,279	8.0	159.1
30/32 Tuas Ave 8	FL Fabpark	156,132	22.0	140.9
146 Gul Circle	Crystal Freight	83,281	2.9	34.8
51 Penjuru Road	FL Express	243,234	22.0	90.4
33,35 Penjuru Lane	FL Express	284,848	20.6	72.3
1/10 Tuas Ave	FL E-Logistics	33,934	18.0	100.0
18 Gul Drive	LTH Logistics	38,664	2.1	54.3
29 Tg Penjuru	LTH Logistics	36,770	2.3	62.6
16 Tractor Road	LTH Logistics	7,513	0.7	97.2
21 Tuas South	Lee Thong Hung	6,717	2.9	431.8
Pasir Gudang, Johor	Lee Thong Hung	36,167	1.5	41.5
360/21-22, Rama III Road	FL Express Intl	6,028	0.5	87.9
Total Value of Properties			103.6	
Freight Forwarding Business (at 18x FY08)			91.2	
Logistics Business minus warehouse rental income (18x FY08)			73.2	
Other businesses (exhibitions, records archiving, etc) (at 16x FY08)			54.1	
Estimated Value of China GSD upon listing (at 30x FY08)			56.3	
Add other assets (residual)			33.0	
Less net debt			-31.3	
Sum of the parts			380.1	
No. of shares			1,793.8	
Value per share			\$ 0.212	

Source: Company Data, Kim Eng Estimates

Figure 9: Valuation Sensitivity to Increase in Singapore Properties' Capital Values

% Increase	0%	5%	10%	15%	20%
SOTP Valuation	\$0.212	\$0.215	\$0.218	\$0.220	\$0.223

Source: Kim Eng Estimates

Profit and loss

YE Apr (\$ m)	2005	2006	2007F	2008F	2009F
Sales	84.3	106.1	128.0	154.9	187.9
Cost of goods sold	50.9	49.1	71.7	86.7	105.2
Gross Profit	33.4	57.0	56.3	68.2	82.7
Operating expenses	28.9	42.9	45.5	55.4	67.7
Operating Profit	4.5	14.0	10.8	12.8	15.0
Net interest	-1.4	-2.6	0.2	0.2	0.2
Interest income	0.0	0.0	2.7	2.7	2.7
Interest expense	1.4	2.6	2.5	2.5	2.5
Net investment income/(loss)	0.0	0.0	0.0	0.0	0.0
Net other non-op. JV+Assoc.	0.0	0.0	0.0	0.0	0.0
Net exceptionals	8.4	1.7	4.8	5.3	5.8
Pretax income	9.2	13.0	15.8	18.2	21.0
Income taxes	1.6	-2.3	-2.9	-3.3	-3.8
Minority Interest	-1.4	-0.2	-0.2	-0.2	-0.2
Net profit	9.5	10.6	12.8	14.8	17.0
EBITDA	14.3	18.0	14.9	17.0	19.4
EPS basic (Scts)	0.53	0.59	0.71	0.82	0.95
EPS fully diluted (Scts)	0.47	0.52	0.63	0.73	0.84

Source: Company data, Kim Eng estimates

Balance Sheet

YE Apr (\$ m)	2005	2006	2007F	2008F	2009F
Total assets	144.7	204.4	212.2	222.9	234.6
Current assets	71.4	65.5	67.3	70.0	72.8
Cash & bank balances	10.1	37.8	31.5	33.4	33.1
Investment properties	38.5	0.0	0.0	0.0	0.0
Accounts receivable	15.7	18.6	24.1	26.6	29.2
Others	7.2	9.1	11.7	10.0	10.5
Other assets	73.3	138.9	144.8	153.0	161.8
Property, plant & eqt	50.0	50.5	52.0	53.6	55.2
Investment properties	0.0	19.7	22.7	26.1	30.0
Others	23.3	68.7	70.1	73.2	76.6
Total liabilities	75.5	120.4	117.2	116.1	114.3
Current liabilities	40.3	36.5	38.1	40.4	42.8
Accounts payable	22.6	22.5	24.8	27.3	30.0
ST borrowings	10.4	7.7	7.5	6.8	6.0
Others	7.4	6.2	6.0	6.5	7.0
Long-term liabilities	35.1	84.0	79.1	75.8	71.5
Long-term debts	16.5	68.3	63.1	57.9	52.7
Others	18.6	15.6	16.0	17.8	18.8
Shareholder's equity	64.1	79.1	89.3	101.2	114.7
Paid-in capital	48.0	47.9	47.9	47.9	47.9
Reserve	16.2	31.2	41.4	53.2	66.8
Net tangible asset	69.3	84.0	94.9	106.8	120.3

Source: Company data, Kim Eng estimates

Cashflow

YE Apr (\$ m)	2005	2006	2007F	2008F	2009F
Operating cash flow	-3.1	-0.5	9.6	13.2	12.1
Net Profit	9.5	10.6	12.8	14.8	17.0
Depreciation & amortisation	2.4	1.0	1.1	1.2	1.4
Change in working capital	-10.7	-5.4	-6.0	-1.5	-2.6
Others	-5.7	-7.0	1.6	-1.5	-3.9
Investment cash flow	-26.9	-13.5	5.8	1.0	3.3
Net capex	40.2	17.0	1.5	1.6	1.6
Change in LT investment	-9.6	-33.1	0.0	0.0	0.0
Change in other assets	-3.7	2.6	4.3	-0.5	1.7
Cash flow after invt.	23.8	-14.1	15.5	14.3	15.4
Financing cash flow	-26.2	41.0	-20.3	-12.3	-15.6
Change in share capital	7.3	0.0	0.0	0.0	0.0
Net change in debt	-30.6	48.0	-5.4	-5.9	-6.0
Change in other LT liab.	-2.9	-7.0	-14.8	-6.4	-9.6
Net cash flow	-2.4	26.9	-4.8	1.9	-0.3

Source: Company data, Kim Eng estimates

Key ratios

YE Apr (\$ m)	2005	2006	2007F	2008F	2009F
Growth (% YoY)					
Sales	28.1	25.8	20.7	21.0	21.3
OP	-0.4	209.1	-22.7	18.2	17.3
EBITDA	44.6	26.2	-17.1	14.0	13.8
NP	103.7	11.1	21.3	15.3	15.0
EPS	103.7	11.1	21.3	15.3	15.0
Profitability (%)					
Gross margin	39.6	53.7	44.0	44.0	44.0
Operating margin	5.4	13.2	8.5	8.3	8.0
EBITDA margin	16.9	17.0	11.7	11.0	10.3
Net Profit margin	11.3	9.9	10.0	9.5	9.0
ROA	6.6	5.2	6.0	6.6	7.2
ROE	14.8	13.3	14.3	14.6	14.8
Stability					
Gross debt/equity (%)	41.9	96.1	79.1	64.0	51.2
Net debt/equity (%)	26.2	48.3	43.8	31.0	22.3
Int. coverage (X)	3.2	5.3	4.3	5.1	6.0
Int. & ST debt coverage (X)	0.4	1.4	1.1	1.4	1.8
Cash flow int. coverage (X)	-2.2	-0.2	3.9	5.3	4.8
Cash flow int. & ST debt (X)	-0.3	-0.1	1.0	1.4	1.4
Current ratio (X)	1.8	1.8	1.8	1.7	1.7
Quick ratio (X)	0.2	1.0	0.8	0.8	0.8
Net debt (\$m)	16.8	38.2	39.1	31.3	25.6
Per share data (cts)					
EPS basic	0.53	0.59	0.71	0.82	0.95
EPS fully diluted	0.47	0.52	0.63	0.73	0.84
CFPS	-0.2	0.0	0.5	0.7	0.7
BVPS	3.9	4.7	5.3	6.0	6.7
SPS	4.7	5.9	7.1	8.6	10.5
EBITDA/share	0.8	1.0	0.8	0.9	1.1
DPS	0.1	0.2	0.2	0.2	0.2

Source: Company data, Kim Eng estimates

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